VZCZCXRO1274
RR RUEHAG RUEHDF RUEHIK RUEHLZ RUEHROV
DE RUEHVI #0843 1691401
ZNR UUUUU ZZH
R 171401Z JUN 08
FM AMEMBASSY VIENNA
TO RUEHC/SECSTATE WASHDC 0376
INFO RUCNMEM/EU MEMBER STATES

UNCLAS VIENNA 000843

SIPDIS

SENSITIVE

STATE FOR EUR/AGS

E.O. 12958: N/A TAGS: <u>PGOV</u> <u>PREL</u> <u>AU</u>

SUBJECT: Austria: SPO Re-Structures in Response Internal Troubles

THIS MESSAGE IS SENSITIVE BUT UNCLASSIFIED - PLEASE PROTECT ACCORDINGLY. NOT FOR INTERNET DISTRIBUTION.

1.(U)Summary: Following increasing internal criticism of Chancellor Gusenbauer's leadership of the SPO, party members decided on June 16 to split the offices of party chairman and chancellor. Gusenbauer will remain chancellor, while Infrastructure Minister Faymann will serve as party chairman. Women's Affairs Minister Bures will replace the two current party managers, and a new women's affairs minister will be appointed. End Summary.

## SPO Troubles

12. (U) Suffering from low popularity ratings nearly from the beginning of his chancellorship, Gusenbauer came under increasing fire from within his party, as well as the media, when the SPO suffered severe losses in the provincial ballot in Tyrol on June 8. The SPO had already lost badly in the provincial elections in Lower Austria in March, and in the municipal elections in the Styrian capital Graz in January. While the election losses were only partly attributable to the SPO's policies in the Grand Coalition government at the federal level, Gusenbauer became the scapegoat. Gusenbauer's aloofness and lack of charisma were openly criticized. Influential provincial SPO figures like Salzburg Governor Gabi Burgstaller attacked Gusenbauer for "not communicating" with them; Burgstaller even resigned from her position as deputy party chairwoman two weeks ago. Discussing potential scenarios for the October SPO party convention, media reports floated various possible candidates to succeed Gusenbauer as party chairman and chancellor, ranging from Infrastructure Minister Faymann to TV manager Gerhard Zeiler.

## June 16 Presidium Meeting

- 13. (U) To relieve the pressure from party colleagues and the media, Gusenbauer made a quick move at the June 16 SPO presidium meeting and proposed Faymann as acting party chairman. Following intensive discussions on whether the positions of party chairman and chancellor should be split, the presidium appointed Faymann as acting chairman, to be elected chairman at the October party convention. In a press briefing after the meeting, both Gusenbauer and Faymann stressed that Gusenbauer would remain chancellor and be the SPO's top candidate in the next elections.
- 14. (U) As a further measure to react to criticism of the party leadership, Women's Affairs Minister Bures was appointed new SPO party manager, replacing current managers Josef Kalina and Reinhard Winterauer. A new women's affairs minister will be appointed "in the next days or weeks," noted Gusenbauer. Bures had served previously as party manager before being named minister.

Faymann

15. (U) While Faymann's appointment gives Gusenbauer room to breathe, it is unlikely to solve the party's current problems. Critics often accuse Gusenbauer of being too conciliatory toward the OVP, the SPO's junior coalition partner. Faymann, known for his ability to broker compromises with the OVP in his position as coalition coordinator, is not a promising candidate to chart a more aggressive SPO course in the coalition. Many observers expect that Faymann, in the long run, will take over the chancellorship from Gusenbauer.

OVP

16. (U) OVP leaders have so far not commented on the developments in the SPO, noting that they need time to assess the new situation. The government reshuffle due to Bures' resignation as women's affairs minister creates an opportunity for the OVP to change some of its cabinet members. Most prominently, Interior Minister Platter may want to take over as governor of Tyrol. Other possible changes being discussed in the media include transferring Environment Minister Proell to the Interior Ministry and replacing controversial Health Minister Kdolsky.

Comment: A Change But Not a Solution

17. (SBU) This re-shuffle will likely prove to be an interim step, possibly leading to Faymann's eventual appointment as chancellor. It does not address the SPO's real problems - its failure to gain the support of its constituents for compromises with the OVP, and the lack of a charismatic leader. KILNER